

**The “Cost” of Water Conservation
Franklin, MA
October 2006**

History

Town commences a mandatory one-day per week watering ban, on trash collection day. Restrictions have started as early as March, and in some cases, we have had a complete water ban. Generally the ban ends in early September. This year the water ban commenced the first week of June and was lifted the first week of September. We encourage residents to start new lawns in the fall.

Annual water meter replacement program - **\$1,000,000 over last six years**

Annual water leak detection program - **\$100,000 over last six years**

Water Master Plan completed; recommending **\$40,000,000** required to improve the water system.

Town Council votes to **implement I/I sewer fee.**

Town Council votes **\$15,000,000** bond authorization for water system improvements and **\$5,000,000** for sewer system improvements.

Town Council votes for “average” rate increase from \$1.70 to \$3.75 per 1000/cf for water and \$2.15 to \$3.75 per 1000/cf for sewer. **A real dollar increase from about \$462 to \$900 per year for the average user.**

Town hires an environmental specialist to work on water/storm water conservation plans and programs. - **\$60,000 per year**

Town meets 65 gallons per day and 10% unaccounted water standards (about 5%).

Kingsbury Pond at highest level in 30 years.

Franklin receives DEP Commissioner’s Water Conservation Award for 2005.

2005 – Water consumption declines for third year in a row and the I/I program has taken out 500,000 gallons per day out of the sewer system. We are continuing to expand the program.

Future Costs

Fixed costs represent 99% of water and sewer budget. If we pump 10% less water, our savings for chemicals and electricity declines less than \$50,000 on a total water budget of \$5,000,000 (1%), but revenues decline by \$500,000. Operating costs increase while revenue from water sales decline **forcing a rate increase**.

Selling less water produces less sewer revenues that translate into **a sewer rate increase**.

Further, if we want to continue to make water/sewer system improvements, an **additional rate increase** will be required.

Finally, we would like to implement a **storm water fee** (awaiting the Town of Reading court decision).

Economic impact – major development projects could be held up pending additional water permits from DEP- Franklin is in the process of selling a piece of land for \$4,700,000 that will produce \$400,000 in tax revenues and create numerous jobs. We cannot wait months/years for DEP to increase our water withdrawals. If a town meets the 65 gallons and unaccounted water benchmarks, there is absolutely no reason to reduce register/permitted volume. Some would say the answer is “offsets”. If a town is being proactive, offsets will be very hard to find and have minimal impact on the big picture while chasing away potential commercial/industrial development where time is money, and they don’t need the grief. The more tax revenue from commercial/industrial owners the easier the burden on the residents when it comes to increasing water/sewer rates.

Our Reward For Being Proactive

1. A proposed reduction in water withdrawal volume of 700,000 mgd that could jeopardize economic development. Further, our permit reads “Upon receipt of this report, the Department will take whatever action it deems is appropriate to promote the interests of the Water Management Act, including without limitations, requiring Franklin to take additional actions to reduce industrial, commercial and institutional water use”.
2. Despite having the best summer water conservation policy (water ban) in the state, the Department wants “One-size” fits all approach to summer water conservation restrictions. Local water providers have the best understanding of water resources and the availability for safe, practical environmentally safe operational practices.
3. A requirement for me to sign a permit based on a three-year average knowing that the town will violate the permit.
4. The Town will spend \$100,000 - \$200,000 and several years appealing draft permit.

If we did not spend millions of dollars to fix the water system (double the water rates), and implement an aggressive summer water restriction policy, our rates would be lower or revenues would be higher, the citizens happier and our 3-year mgd withdrawal average would be higher. This would result in a draft permit with a higher mgd withdrawal than is currently proposed. We understand the environmental/economic concerns have taken preemptive action and find ourselves in an expensive appeal process. What's wrong with the process?

Why do we care so much about the issue? Because it is the local officials that:

1. Deal with the angry citizens.
2. Have not been provided evidence that any of these changes will make a difference.
3. Vote on water/sewer rate increases.
4. Take the heat for a one-day per week water ban.
5. Tell people they have to change their lifestyle and habits.
6. Understand the critical need for economic development.
7. Take responsibility for trying to balance all the competing needs of the community including the environment while having no legal means to stop development.

What's Next – Storm Water?

We are looking at reducing the size of old subdivision streets as we reconstruct them. Most of our older subdivision streets have a width from 28-36 feet with two sidewalks. If we reduce the street width to 24-26 feet and eliminate one sidewalk, we eliminate 25% +/- of impervious cover and provide land for recharge/retention all within the Town's right of way. **This will require a new Fee.**

We have been fighting about ground water withdrawal permits for over two years with no end in sight. This deters from commencing a public policy discussion on developing a comprehensive storm water best management plan.

Franklin wants to do more on water/sewer improvements and especially storm water retention/recharge, but under the current atmosphere, the lesson we are learning is don't be ahead of the curve because the only reward is future restrictions and potential punitive action.

IT IS NOT TOO LATE TO FIND COMMON GROUND

All participants in this process need to put aside the fear of the "slippery slope".

Communities must embrace reasonable restrictions on outside water use, fix older water/sewer systems and begin to address storm water issues. That will not happen under the current us/them atmosphere.

The environmental community has to recognize that a "middle ground" will produce far better results faster than years of appeals and political fights.

This Commission has an opportunity to allow everyone involved with a chance to find the common ground.

1. Understand that the operation of a water/sewer system is a business. The sale of water has a direct impact on water and sewer revenues. As sales decline rates must rise. Few local leaders are willing to “double” the rates without any proof that it will have a positive effect on the environment. Small, regular rate increases are much easier to deal with. **That means it will take more time to fix the systems and ease into water restrictions.**
2. Life style changes take time. It has taken six years for the citizens of Franklin to understand (not necessary accept) our approach to water conservation.
3. Communities have very little authority to control residential development and no control over 40B development. Further, many communities actively encourage commercial/industrial development as the only hope against never ending property tax increases. This creates water demand.
4. A public water supply is critical for public safety protection. Permit new wells for redundancy. This will allow us to better manage our resources and provide for a safety net for terrorism and fire protection.
5. If communities meet the 65 gallons and 10% unaccounted water standard, why reduce their withdrawal to a three-year average.
6. Commit that in the future no “policy” will be implemented without a complete open and public process.
7. Don’t go home after the commission issues their report. Continue to hold quarterly meetings of “all concerned interests” so that water/sewer and storm water issues can be discussed on a regular basis. It takes time, education and good communications for everyone to find a “common ground” that translates into good public policy that has the support of all concerned.
8. Every day we fight over this issue it “costs” dollars to the ratepayers and damage to the environment. Slow and steady pace wins the race.